

annual report

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TORMONT MINES LIMITED

FOR THE YEAR ENDED DECEMBER 31, 1966

TORMONT MINES LIMITED

OFFICERS	ANDREW ROBERTSON <i>President</i> WILFRED E. GARNETT <i>Vice-President</i> G. D. PATTISON <i>Secretary-Treasurer</i> R. D. BELL <i>Assistant Secretary-Treasurer</i>
DIRECTORS	ANDREW ROBERTSON Toronto, Ontario WILFRED E. GARNETT Vancouver, British Columbia S. J. O. McCLAY Vancouver, British Columbia L. J. DALTON Vancouver, British Columbia L. C. CREERY Vancouver, British Columbia
AUDITORS	FISHER, NISKER & COMPANY Toronto, Ontario
TRANSFER AGENT AND REGISTRAR	THE CANADA TRUST COMPANY Toronto, Ontario
HEAD OFFICE	SUITE 509, 25 ADELAIDE STREET WEST Toronto 1, Ontario
EXECUTIVE OFFICE	SUITE 1307, BURNARD BUILDING Vancouver, B.C.

TORMONT MINES LIMITED

Directors' Report

To the Shareholders:

Your Directors present herewith the Annual Report of your Company for the year ended December 31, 1966, including the Financial Statements and Auditors' Report.

Your Directors have not been successful, as yet, in obtaining the necessary financing required to pursue development of the Company's property in British Columbia next to the Endako Mine, and the copper prospect at Aspen Grove, also in British Columbia.

Tormont Mines Limited holds, under option, 31 Mineral Claims in the southeast part of Lamotte Township, Malartic Area, Quebec. The property adjoins east of the Falconbridge-Marbridge claims on which the producing Marbridge nickel property is located. Nine diamond drill holes were previously drilled on the Tormont ground totalling 4,241 feet. On January 19, 1967, diamond drill Hole No. 10 was contracted for and drilled to a depth of 1,175 feet, and was completed on February 15, 1967.

The geophysical surveying and diamond drilling carried out by Tormont Mines Limited has shown little encouragement though extensive zones of favorable peridotite underly the property. The best results to date, both by assay and core appearance are on Block "D" in the northwest corner of the claim group. The Company's Consulting Engineer recommends that the property be reduced to 900 acres from its present 2,450 acre size.

On Behalf of the Board,

ANDREW ROBERTSON
President.

Vancouver, British Columbia,
April 4, 1967.

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AS AT DECE

Assets

CURRENT ASSETS

Cash	\$ 1,037.97	
Interest bearing deposit	7,447.01	
Loan receivable	700.00	\$ 9,184.98

MINING CLAIMS AND PROPERTIES

Mining claims, at cost (cash \$69,551.12 plus \$215,000.00 attributed to 747,618 shares of capital stock as presently constituted, issued for the claims	\$284,551.12	
Other mining claims, at nominal value	2.00	
Option to purchase mining claims (see footnote)	15,000.00	299,553.12

DEFERRED EXPENDITURES

Exploration and administrative expenditures, per statement	\$690,468.18	
Organization and reorganization expenses	23,454.52	713,922.70
		<u>\$ 1,022,660.80</u>

NOTE — The company has paid \$15,000.00 on an option to purchase a group of thirty-one unpatented mining claims in the Lamotte Township, Malartic Area, Quebec. In order to fully exercise this option the optionor is to receive by December 19, 1967, 300,000 fully paid shares of a new company to be formed by Tormont (with authorized capital of 3,000,000 \$1.00 par value shares) to acquire and develop the claims.

Approved on behalf of the Board of Directors:

ANDREW ROBERTSON (Director)

WILFRED E. GARNETT (Director)

TORMONT MINES LIMITED

(Incorporated in the Province of Ontario)

Balance Sheet

December 31, 1966

Liabilities

CURRENT LIABILITIES

Accounts payable \$ 9,828.30

SHAREHOLDERS' EQUITY

CAPITAL STOCK

Authorized:

5,000,000 shares, par value \$1.00 each

Issued and fully paid:

4,700,000 shares \$ 4,700,000.00

Less — discount 3,294,457.65

\$ 1,405,542.35

CONTRIBUTED SURPLUS — arising from the reduction of capital
stock on August 14, 1961

951,355.85

\$ 2,356,898.20

DEFICIT, per statement 1,344,065.70 1,012,832.50

\$ 1,022,660.80

Auditors' Report

To the Shareholders of
TORMONT MINES LIMITED:

We have examined the Balance sheet of Tormont Mines Limited as at December 31, 1966 and the statements of deferred exploration and administrative expenditures and deficit for the year ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion the accompanying balance sheet and statements of deferred exploration and administrative expenditures and deficit present fairly the financial position of the company as at December 31, 1966 and its activities for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Toronto, Ontario,
March 7, 1967.

FISHER, NISKER & COMPANY
Chartered Accountants.

TORMONT MINES LIMITED

DEFERRED EXPLORATION AND ADMINISTRATIVE EXPENDITURES FOR THE YEAR ENDED DECEMBER 31, 1966

EXPLORATION EXPENDITURES

LAMOTTE TOWNSHIP, QUEBEC

Geophysical survey	\$ 2,387.07	
Engineers' fees	1,125.00	
Government fees and licenses	1,821.25	\$ 5,333.32

OTHER MINING CLAIMS

Government fees and taxes		277.79
		\$ 5,611.11

ADMINISTRATIVE EXPENDITURES

Accounting and secretarial services	\$ 2,400.00	
Legal and audit fees	607.10	
Annual report	1,335.43	
Share issue and transfer expense	1,903.80	
Stock exchange fees	100.00	
Miscellaneous	233.67	
	\$ 6,580.00	
Less — interest earned	480.85	6,099.15

EXPENDITURES FOR THE YEAR \$ 11,710.26

BALANCE DEFERRED DECEMBER 31, 1965 \$701,839.06

Add — additional 1965 exploration expenditures

— Nicola Mining Division, B.C.:

Officer's fee for engineering and supervision services	\$8,000.00		
Field office expenses	991.23	8,991.23	710,830.29
			\$722,540.55

Deduct — expenditures written off to deficit:

Palmer Township, Ontario 32,072.37

BALANCE DEFERRED DECEMBER 31, 1966 \$690,468.18

SUMMARY OF DEFERRED EXPENDITURES

EXPLORATION

Nicola Mining Division, British Columbia	\$443,997.73	
Townships of Coleman and South Lorrain, Ontario	2,606.21	
Haultain and Farr Townships, Ontario	114,314.06	
Lamotte Township, Quebec	49,456.41	
Other mining claims	4,000.00	\$614,374.41

ADMINISTRATIVE 76,093.77

\$690,468.18

TORMONT MINES LIMITED

STATEMENT OF DEFICIT FOR THE YEAR ENDED DECEMBER 31, 1966

BALANCE DECEMBER 31, 1965			\$ 1,301,994.33
ADDITIONS DURING THE YEAR			
Amount written off cost of mining claims to reduce to nominal value	\$	9,999.00	
Exploration expenditures incurred on the above claims		29,800.37	
Administrative expenditures apportioned to the above mining claims		2,272.00	42,071.37
BALANCE DECEMBER 31, 1966			\$ 1,344,065.70

